

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
March 9, 2005
MAG Office Building - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| Mike Hutchinson, Mesa, Chair | * Mark Johnson, Guadalupe |
| Dana Tranberg for Ed Beasley, Glendale,
Vice Chair | Darryl Crossman, Litchfield Park |
| * George Hoffman, Apache Junction | Tom Martinsen, Paradise Valley |
| Charlie McClendon, Avondale | Terry Ellis, Peoria |
| * Carroll Reynolds, Buckeye | Frank Fairbanks, Phoenix |
| Jon Pearson, Carefree | # Cynthia Seelhammer, Queen Creek |
| Usama Abujbarah, Cave Creek | Jacob Moore for Bryan Meyers, Salt River |
| Patrice Kraus for Mark Pentz, Chandler | Pima-Maricopa Indian Community |
| B.J. Cornwall, El Mirage | Roger Klingler for Jan Dolan, Scottsdale |
| Orlando Moreno, Fort McDowell Yavapai
Nation | # Sintra Hoffman for Jim Rumpeltes, Surprise |
| # Tim Pickering, Fountain Hills | Jeff Kulaga for Will Manley, Tempe |
| * Lynn Farmer, Gila Bend | Reyes Medrano for Ralph Velez, Tolleson |
| Urban Giff, Gila River Indian Community | Shane Dille, Wickenburg |
| George Pettit, Gilbert | Mark Fooks, Youngtown |
| Stephen Cleveland, Goodyear | Andy Smith for Victor Mendez, ADOT |
| | David Smith, Maricopa County |
| | Ken Driggs, Valley Metro/RPTA |

* Those members neither present nor represented by proxy.

Participated by telephone conference call.

+ Participated by videoconference call.

1. Call to Order

The meeting was called to order by Chairman Mike Hutchinson at 12:15 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chairman Hutchinson announced that Cynthia Seelhammer, Sintra Hoffman, and Tim Pickering were attending the meeting via teleconference call. He introduced and welcomed Orlando Moreno, General Manager of the Fort McDowell Yavapai Nation. Chairman Hutchinson stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting. Parking validation was available from MAG staff for those who parked in the parking garage.

Chairman Hutchinson stated that the addenda to the agenda, items #5I, #5J, and #14, and a revised bill summary for agenda item #12 were at each place.

3. Call to the Audience

Chairman Hutchinson stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chairman Hutchinson noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations. Chairman Hutchinson stated that for members of the audience who wish to speak, comment cards are available from the staff.

Chairman Hutchinson recognized public comment from Dianne Barker, who complimented MAG on the minutes. Ms. Barker said that she had taken the bus and bike to the meeting. She stated that it was positive that people paid for their meals at MAG Management Committee. Ms. Barker commented on agenda item #7. She referenced the response letter received from Maricopa County that modifications to the Regional Transportation Plan should not be approved before the Arterial Life Cycle Policies and Procedures are approved.

4. Executive Director's Report

Dennis Smith reported on Transportation Reauthorization. He said the bill is expected to move forward through the House today. Mr. Smith stated that a tentative compromise on donor/donee funding was reached that could raise the minimum guaranteed rate of return to 92 percent from 90.5 percent.

Mr. Smith reported on CMAQ funding. He said that the issue for the MAG Region is PM-10. He said that about six months ago, there was a move in the Senate version to include PM-2.5 in the formula for CMAQ funding. At that time, MAG requested that PM-10 be included in the formula. Mr. Smith stated that Representative John Shadegg has been working on this issue and has an amendment ready. He commented that the states of Texas, California, Florida, and New York support including PM-2.5 in the formula. Mr. Smith advised that including PM-10 in the formula means an additional \$10 million to Arizona. He indicated that the Las Vegas MPO was unaware that their region would be negatively impacted by the legislation until contacted by MAG and they have indicated they will work with MAG on the effort.

Mr. Smith reported that today, MAG was notified that EPA is approving the MAG Serious Area Carbon Monoxide (CO) Plan and the MAG CO Redesignation Request and Maintenance Plan for Maricopa County nonattainment area. He stated that the MAG region is redesignated to attainment status for carbon monoxide with these approvals. Mr. Smith acknowledged the substantial amount of work by staff on the redesignation.

Mr. Smith reported that the terms of the business representatives on the Transportation Policy Committee were drawn on February 16, 2005. He stated that Dave Berry from Swift Transportation, and Eneas Kane from DMB Associates will serve two-year terms; Kirk Adams from The Adams Agency and Jed Billings from FNF Construction will serve four-year terms; and Stephen Beard from SR Beard and Associates and David Scholl from Westcor will serve six-year terms. Mr. Smith added that according to the State law, the Chair of the Regional Council forwarded these terms to President of the Senate and to the Speaker of the House.

Mr. Smith commented on the reductions in Social Services Block Grant funding. He said that, relevant to this issue, the Department of Housing and Urban Development will show a live telecast on the Strengthening Communities Initiative at their office on March 15, 2005 from 1:00 p.m. to 2:00 p.m. He indicated that member agencies may want to attend the telecast to weigh in the issue.

Mr. Smith introduced new MAG staff: Tina Pereira is the Graphics Web Specialist in the Communications Division; Baloka Belezamo is a System Modeling Engineer in the Transportation Division; and Ieesuck Jung is an Air Quality Modeler in the Environmental Services Division. Chairman Hutchinson thanked Mr. Smith for his report. No questions from the Committee were noted.

5. Approval of Consent Agenda

Chairman Hutchinson stated that public comment would be heard before action was taken on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Chairman Hutchinson stated that agenda items #5A through #5J were on the consent agenda.

Chairman Hutchinson recognized public comment from Ms. Barker, who stated that the consent agenda has much to do with the Plan and conformity. She said that there will be a conformity finding after June 15, the EPA deadline for completing the 8-hour ozone standard. Ms. Barker stated that regional conformity is due August 5. She said she will participate to understand more about MAG modeling. Ms. Barker stated that Federal rules say that transit projects are exempt from air quality conformity determinations. She said that she did not feel that just because a project was a transit project that it should automatically be exempt and that the project will cut down on pollution. Ms. Barker stated that she was not sure the intersections in agenda item #5I require bus bays and that they will help cut down pollution. She said that some drivers do not want bus pullouts because they idle there until they can merge back into traffic. Ms. Barker stated that she thought the federal rule was being abused. Ms. Barker stated her support for Arizona and we need to take care of our air quality. She stated that it is a conflict of interest when a city gets federal air quality money and then must deem itself regionally significant, for example, Sky Harbor Airport. Chairman Hutchinson thanked Ms. Barker for her comments.

Chairman Hutchinson recognized public comment from Mr. Crowley, who commented on agenda item #5E. He said that 110 bus stops are not shown on the MAG list, but were shown on the RPTA Management Committee list. He said there are 32 light rail stops listed that cost

\$25 million, but he is not able to find the \$810 million in years 2008 and 2009. Mr. Crowley commented on agenda items #5B to #5H. He said that insufficient time is given to comment on the consent agenda. By doing it this way, are you being proactive? Mr. Crowley stated that listing agencies in the public input section is not public input. Chairman Hutchinson thanked Mr. Crowley for his comments.

Chairman Hutchinson asked members if there was discussion on any of the consent agenda items. Mr. Medrano conveyed the appreciation of Ralph Velez, Chair of the MAG Elderly and Persons with Disabilities Transportation Ad Hoc Committee (EPDT), to MAG member agencies for their continued support of the EPDT program.

Mr. Ellis moved to recommend approval of consent agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, and #5J. Mr. Cornwall seconded, and the motion carried unanimously.

David Smith introduced the new Director of Air Quality for Maricopa County, Robert Kard. Mr. Smith stated that Mr. Kard assumed his duties as Director on March 7, 2005, and comes to the County from the San Joaquin Air Quality District. Mr. Smith stated that Mr. Kard has 22 years experience in air quality and was hired through a national search. In his new position, he will direct a staff of 130 and oversee a budget of \$10 million. Mr. Kard thanked the committee for the welcome and said that he looked forward to working with everyone.

5A. Approval of February 9, 2005 Meeting Minutes

The Management Committee, by consent, approved the February 9, 2005 meeting minutes.

5B. Recommendations to Arizona Department of Transportation for the FTA Elderly and Persons with Disabilities Transportation Program

The Management Committee, by consent, recommended forwarding the priority listing of applicants for FTA Elderly and Persons with Disabilities Transportation Program to the Arizona Department of Transportation. The Federal Transit Administration (FTA) provides approximately \$2.1 million to the Arizona Department of Transportation (ADOT) for capital assistance to agencies and public bodies that provide transportation services for people who are elderly and for people with disabilities. ADOT has again requested that the MAG Elderly and Persons with Disabilities Transportation Ad Hoc Committee rank the Maricopa applications for the FTA Section 5310 funding. The ranking provided by MAG is considered by ADOT in determining which applicants are to be awarded funding. This year, 16 applications for capital assistance awards, totaling 35 van requests and miscellaneous radio requests, were received. On February 28, 2005, the applications received were ranked by the MAG Elderly and Persons with Disabilities Transportation Ad Hoc Committee.

5C. Administrative Adjustment to the FY 2004-2007 MAG Transportation Improvement Program to Reserve \$1.5 Million of MAG Federal Funds for the 2005 Census Survey and an Amendment to the FY 2005 MAG Unified Planning Work Program and Annual Budget to Add \$1.5 Million of MAG Federal Funds for the 2005 Census Survey

The Management Committee, by consent, recommended approval of an administrative adjustment to the FY 2004-2007 MAG Transportation Improvement Program and an amendment to the FY 2005 MAG Unified Planning Work Program and Annual Budget by increasing the amount of FHWA STP funds by \$1.5 million for FY 2005 for the 2005 Census Survey. In April 2002, the Regional Council approved reserving up to \$6 million of MAG federal funds over a four-year period in order to make payments for the 2005 Census Survey. The initial \$3 million of MAG federal funds were reserved for the Census Survey in FY 2004 and programmed in the FY 2005 Work Program. During FY 2005, MAG paid \$3 million of 2003 FHWA STP funds for the 2005 Census Survey. An additional payment is due for the Census Survey in April 2005. An administrative adjustment to the FY 2004-2007 TIP is requested in order to reserve the MAG federal funds. A 2005 Work Program amendment is requested in order to make the funds available for the April 2005 Census Survey payment.

5D. Consultation on Proposed Transportation Conformity Processes for the 2005 MAG Conformity Analyses

On November 2, 2004, MAG distributed for comment the proposed processes to be applied in the upcoming conformity analysis for the FY 2004-2007 MAG Transportation Improvement Program and the Regional Transportation Plan, as amended. Since that time, MAG revalidated the transportation models which has resulted in modifications to the processes. Therefore, MAG is redistributing the proposed processes, including the modifications, to be used for the conformity analysis for the FY 2004-2007 MAG Transportation Improvement Program and Regional Transportation Plan. These proposed processes also describe the models, associated methods, and assumptions to be used for the conformity analysis for the FY 2006-2010 MAG Transportation Improvement Program and Regional Transportation Plan. Comments regarding this material are requested by March 23, 2005. This item was on the agenda for consultation.

5E. Consultation on Potentially Regionally Significant Projects of the FY 2006-2010 MAG Transportation Improvement Program

Federal and state conformity regulations require Metropolitan Planning Organizations such as MAG to consult with State and local air quality and transportation agencies, the U.S. Environmental Protection Agency, and the U.S. Department of Transportation regarding which transportation projects will be considered "regionally significant" for the purposes of regional emissions analysis. Regionally significant projects are subject to conformity requirements. A list of potentially regionally significant projects from the proposed FY 2006-2010 MAG Transportation Improvement Program has been prepared. It is requested that comments regarding the list be reported to MAG by March 23, 2005. This item was on the agenda for consultation.

5F. Development of Maricopa County Projections

Executive Order 95-2 requires that official population projections be prepared every five years. DES staff presented a draft set of projections at the January 28, 2005 DES POPTAC meeting. DES staff indicated that they would be developing a refined draft, which has not yet been

received. Once approved, the county projections will become the control total for the subregional projections prepared by MAG. This item was on the agenda for information and discussion.

5G. Consultant Selection for the MAG Silt Loading Study

The Management Committee, by consent, recommended that the College of Engineering, Center for Environmental Research and Technology, University of California, Riverside, be selected to conduct the MAG Silt Loading Study for an amount not to exceed \$100,000. The FY 2005 MAG Unified Planning Work Program includes consultant assistance for the MAG Silt Loading Study. A request for proposals was advertised on January 7, 2005 to improve the estimation of particulate emission factors for paved roads in the Maricopa County PM-10 nonattainment area. On February 28, 2005, the evaluation team recommended to MAG that the College of Engineering, Center for Environmental Research and Technology, University of California, Riverside, be selected for an amount not to exceed \$100,000.

5H. Preparations for Conducting the 2005 Census Survey

In December 2003, the MAG Regional Council approved conducting a 2005 Census Survey estimated to cost \$7.5 million. The Census Bureau will be conducting this survey beginning September 1, 2005. To facilitate that effort, a 2005 Census Survey Oversight Subcommittee, comprised of representatives of MAG member agencies, has been established. At the February meeting of the subcommittee, members received an update on: a possible cost increase, the 2005 Census Survey questionnaire, cognitive testing of the Census Survey, the 2005 National Census Test, formation of other subcommittees, outreach activities, recruitment and office space and equipment for the 2005 census effort. Since the last Management Committee meeting, MAG has been exploring ways to avoid or minimize any cost increase. Two methods are being researched to reduce a potential cost increase. Member agencies work with MAG to provide address lists to the Census Bureau and to provide updates to the Boundary and Annexation Survey (BAS). Method one: MAG staff has contacted each member agency to obtain a Geographic Information Systems (GIS) contact. The GIS contact from each member agency is working with MAG to supply address lists and maps to the Bureau to the extent they are or will be available. To date, nine member agencies have indicated that they have an address file and four member agencies have indicated that they do not. MAG is continuing to collaborate with other member agencies to obtain address lists. Method two: The Census Bureau has asked MAG to coordinate updates to the Boundary and Annexation Survey to facilitate preparations for the 2005 Census Survey. The coordination is needed to avoid delay over researching any overlapping boundaries in BAS Update submittals to the Census Bureau. Some member agencies have already indicated that they have no changes. MAG held a workshop on March 7, 2005 to bring together member agencies that share borders to discuss boundary changes. This will enable census staff to identify new block boundaries. On February 28, 2005, the Census Bureau notified MAG that census staff will identify which blocks will be sampled in the survey. This will enable member agencies to focus their efforts on blocks that will be in sample and also reduce the time and effort needed to compile the address list. Cognitive Testing: The purpose of conducting cognitive testing is to ensure the 2005 Census Survey questionnaire will be understood and filled out accurately. After careful evaluation of three proposals, O'Neil Associates Inc. was contracted to conduct cognitive testing of the 2005 Census Survey. 2005

National Census Test: The 2005 National Census Test (NCT) will be conducted in September 2005. The 2005 NCT is a survey of a test questionnaire for the 2010 Census. The 2005 NCT will be conducted in a similar manner and at the same time as the MAG 2005 Census Survey. After discussion with census staff on ways to minimize the effect of the NCT on the MAG 2005 Census Survey, Census Bureau staff indicated that delaying the NCT until after the 2005 Census Survey is not an option. Member agencies are submitting letters to the Census Bureau urging them to exempt Maricopa County from the 2005 NCT, in order to avoid confusion and adverse impact on the results of the survey. Subcommittees: The City of Phoenix has formed five subcommittees to target publicity of the census to specific audiences. These subcommittees are: Media, Business, Minority Outreach, Neighborhoods/Schools, and Communities of Faith. All subcommittees have met and work on the media campaign is underway. The Media subcommittee will work in concert with the MAG Census Survey Outreach Group to publicize the census and educate the public about the importance of participating in the Survey. The outreach group will identify best practices and take materials from the Phoenix subcommittees and adapt them for individual communities. The Census Survey Outreach Group is made up of public information officers and other designated communication representatives from each city or town. MAG is currently in the process of developing and selecting logos to accompany the slogan. MAG has also created a web site for the 2005 Census Survey. Recruitment: The Census Bureau is recruiting workers for the 2005 Census Survey. The Bureau is currently seeking to hire 400 workers to perform the address listing operation in May 2005. In October, the Bureau will hire another 400 workers to conduct personal visits to the respondents who did not complete the questionnaire by mail or telephone. In order to hire the estimated 800 people necessary, the Census Bureau needs to recruit 3,000 people. Pay will start at \$11.50 per hour plus mileage reimbursement. The jobs are part-time and have flexible hours. The recruitment phone number is (602) 256-3225. Although the Census Bureau has run press releases and ads in the local media, member agencies are being asked to assist in publicizing the recruitment of census workers through their established networks. This item was on the agenda for information and discussion.

5I. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment to the FY 2004-2007 MAG Transportation Improvement Program (TIP). The proposed amendment includes two City of Phoenix federally-funded safety projects for addition to FY 2005. The amendment includes new projects that are exempt from conformity determinations. Comments on the conformity assessment are requested by March 23, 2005. This item was on the agenda for consultation.

5J. Amendment to the FY 2004-2007 MAG Transportation Improvement Program to Add Two Phoenix Federally Funded Surface Transportation Program Hazard Elimination and Safety (STP-HES) Projects for FY 2005

The Management Committee, by consent, recommended approval of an amendment to the FY 2004-2007 MAG Transportation Improvement Program to add safety improvement projects at Indian School Road at 67th Avenue and McDowell Road at 43rd Avenue to FY 2005 utilizing STP-HES funding. At the beginning of March, the City of Phoenix was awarded, through the

Federal Highway Administration, \$916,970 in Surface Transportation Program Hazard Elimination and Safety (STP-HES) funds for two safety projects to be obligated in FY 2005. The two projects are located at the intersections of Indian School Road at 67th Avenue and McDowell Road at 43rd Avenue and include street lighting, bus bays and paving improvements. These projects are exempt from air quality conformity requirements. To utilize this funding, the City Phoenix is requesting that two projects be included in the FY 2004-2007 TIP for FY 2005.

6. Modifications to the MAG Regional Transportation Plan

Roger Herzog addressed the committee on modifications to the Regional Transportation Plan. He said that as part of the process to develop the MAG Transportation Improvement Program (TIP) for the period FY 2006-2010, changes have been proposed regarding the phases in which certain projects in the Regional Transportation Plan (RTP) would be constructed. Mr. Herzog noted that the interim policy on projects was addressed through the committee process in February. He advised that the proposed phase changes would be accomplished through funding provided by the jurisdictions proposing project advancements and the jurisdictions would be reimbursed for their funding in the phase in which the project was originally scheduled in the RTP.

Mr. Herzog advised that the proposed RTP project phase modifications were distributed to Valley Metro/RPTA, ADOT, Maricopa County, Indian Communities, and municipalities for agency consultation as required by State law. He stated that this requirement is in effect until the end of 2005, when the usual update process will resume. Mr. Herzog stated that the agency consultation period ended February 23, 2005, and comments received were included in the agenda packet. He added that following approval, the advanced projects would be included in the RTP and the Draft FY 2006-2010 TIP, as appropriate, which would then go through the committee process for approval of air quality conformity analysis, with final approval in July. Chairman Hutchinson thanked Mr. Herzog for his report and asked if there were questions. No comments from the committee were noted.

Chairman Hutchinson recognized public comment from Mr. Crowley, who stated that arterials are the most important element of the Plan because all jurisdictions have them. When modifications are made to roadways, pedestrian, bicycle, and transit improvements should be done at the same time to save money. Mr. Crowley stated that Maricopa County and Florida follow this practice. Mr. Crowley commented that in the 1970s, \$56 million was taken for the Squaw Peak Parkway from funds allocated to transit. He stated that arterials that are transit corridors, not just roads, are needed. Mr. Crowley stated that Litchfield Park has installed traffic signals that are helpful for pedestrians at crosswalks. Chairman Hutchinson thanked Mr. Crowley for his comments.

Mr. Pettit moved to recommend inclusion of the proposed arterial project phase modifications in the MAG Regional Transportation Plan and in the Draft FY 2006-2010 TIP as appropriate, for air quality conformity analysis. Mr. Kulaga seconded, and the motion carried unanimously.

7. Interim Draft of the Arterial Life Cycle Program Policies and Procedures

Eric Anderson reported on the Interim Draft of the Policies and Procedures that are needed to guide the Arterial Life Cycle Program. Mr. Anderson stated that the Regional Transportation Plan (RTP) Arterial Program includes \$1.5 billion of street projects. He noted that the HB 2456 requires an arterial life cycle budget process to deliver the projects that are in the RTP. Mr. Anderson stated that the draft policies and procedures have been under development for the past year with agency staff. The objectives of the draft policies and procedures include fiscal integrity, effective and efficient implementation of the RTP, accountability through performance and annual audits, transparency to ensure understanding by the public and jurisdictions, and compliance with state and federal laws.

Mr. Anderson reviewed the factors considered in the development of the draft policies and procedures: The arterial life cycle program must include all of the arterial projects identified in the RTP; resources to fund arterial projects must be sufficient to build the first projects as well as the last projects in the program; many of the projects have not been fully scoped or designed; funding from third parties, for example, developer or federal funds, should be encouraged; adequate funding to complete the project must be identified before construction begins.; jurisdictions should be able to advance construct projects and be reimbursed according to the adopted schedule.

Mr. Anderson stated that adoption of the draft policies and procedures is anticipated in May, before the approval of the Draft 2006-2010 TIP and modifications to the RTP in July. Mr. Anderson added that comments have been received from Glendale, Peoria, and Maricopa County. He advised that the inflation issue still needs to be decided and will be discussed by the TPC at its March and April meetings. Mr. Anderson then briefly covered the overview of the sections of the draft policies and procedures. Chairman Hutchinson thanked Mr. Anderson for his report and asked if there were any questions. No questions from the committee were noted. Chairman Hutchinson thanked staff for the hard work on the policies and procedures.

8. System Activation Fee for the MAG Community Emergency Notification System (CENS)

Chief Harry Beck, Mesa Fire Department, and Chair of the MAG 911 Oversight Team, addressed members on the system activation fee for the MAG Community Emergency Notification System (CENS). He reported that, in 2004, CENS generated telephone calls in response to 15 emergency incidents. Chief Beck stated that the telephone calls provided emergency instructions to those in the area of the incident. He added so far in 2005, 26,000 citizens have been notified during nine activations.

Chief Beck noted that one of the CENS policies approved by the Regional Council stated that emergency activation charges would be fully funded through CENS program funds until January 1, 2005 and that the policy would be evaluated after the first year of operation. He stated that a working group of the MAG 911 Oversight Team conducted an evaluation of the first year of operation and recommended to MAG that a policy be approved that an agency activating CENS would pay the cost for its activations effective July 1, 2005. He said that the working group also recommended to MAG that the 911 Office continue to find cost saving measures so the system

will be able to provide service for the citizens of the MAG Region. Chief Beck stated that funding for the program is limited and is projected to last until about January 2007. He added that the average cost of an activation has been about \$1,500. Chief Beck noted that those activations for endangered children and elderly are provided at no charge. Chief Beck advised that the system activation fee is crucial to continue the program. He stated that the MAG 911 Oversight Team concurred with the recommendations of the working group. Chairman Hutchinson thanked Chief Beck for his presentation and asked if there were questions. No questions from the committee were noted.

Mr. Fairbanks moved to recommend approval of a policy that an agency activating the CENS system will pay for its activations and that the 911 Office continue to find cost saving measures so the system will be able to provide service for the citizens of the MAG Region. Mr. Pettit seconded, and the motion carried unanimously.

9. Discussion of the Draft FY 2006 MAG Unified Planning Work Program and Annual Budget and Expenditures and Projects in the MAG Unified Planning Work Program and Annual Budget

Becky Kimbrough provided an update on the development of the Unified Planning Work Program and Annual Budget. Ms. Kimbrough stated that in January, a presentation was given on the timeline and draft dues and assessments. In February, a presentation was given on additional budget information on projected revenues and expenditures, the draft "MAG Programs in Brief," and a detailed description of new project requests. Ms. Kimbrough stated that the draft Work Program was provided to the committee under separate cover and a copy of today's presentation was at each place. She then reviewed the draft revenues, expenditures, new projects amounts, summary of positions, and budget process timeline. Dennis Smith stated that a more detailed discussion on new projects would take place in April. Chairman Hutchinson thanked Ms. Kimbrough for her informative presentation on the budget process.

10. West Valley Stakeholders

Amy St. Peter stated that the West Valley Stakeholders was formed to address human services needs in the West Valley. She said that this group has met for the past six months and completed a survey of human service resources in West Valley cities and towns. Ms. St. Peter stated that the survey identified that social and recreational projects are the main assets and better coordination is the greatest need. She said that the Stakeholders voted to merge with the Department of Economic Security Council to maximize time and resources. Ms. St. Peter stated that Valley of the Sun United Way has a lot of information from a scan they conducted and will collaborate with the Department of Economic Security Council. She indicated that a goal is to develop a Human Services Plan for the West Valley. Chairman Hutchinson thanked Ms. St. Peter for her report. No questions from the committee were noted.

11. Building a Quality Regional Community: Phase I Report Outline

Jack Tomasik stated that in June 2004, the MAG Regional Council approved conducting Phase I of Building a Quality Regional Community, a study of the existing situation regarding job centers, their commute sheds, and their economic development characteristics. He advised that

the Building a Quality Regional Community is contemplated to have three phases, and the additional phases are contingent upon Regional Council approval pending Phase I results. Mr. Tomasik stated that the project is being developed with the participation of the Building a Quality Regional Community Ad Hoc Advisory Group. He said that the Ad Hoc Advisory Group reached a consensus to recommend to MAG approval of the report outline that will guide the research work scope of the project. Mr. Tomasik added that the Group recommended to MAG that Phase I include both Maricopa and Pinal counties, which is the US Census Bureau definition of our metropolitan statistical area. If Pinal County is included, Pinal County and the Central Arizona Association of Governments would provide appropriate information. Chairman Hutchinson thanked Mr. Tomasik for his presentation. No comments from the committee were noted.

Mr. Crossman moved to recommend approval of the Building a Quality Regional Community Phase I report outline. Mr. Fairbanks seconded, and the motion carried unanimously.

12. Legislative Update

Tom Remes provided an update on legislative issues of interest. Mr. Remes stated that this day was the 58th day of the Legislature, and the deadline when bills can be heard in their originating chamber has passed.

Mr. Remes said that support is urged for HB 2123, Highway Expansion and Extension Loans, which reinstates a \$200 million cap on annual funding obligations incurred by the Transportation Board as part of its highway construction acceleration program for fiscal years between 2005-2006 and 2019-2020. This piece of legislation extends the authority of the Transportation Board to issue Board Fund Obligations. Mr. Remes stated that the bill is moving along and passed the Senate Transportation Committee on March 8.

Mr. Remes stated that support is urged for HB 2624, which appropriates \$118,000 for the state general fund to HURF as repayment for an appropriation of the same amount that was diverted in 2004.

Mr. Remes stated that SB 1119 is being monitored. He indicated that this was a strike everything bill that would appropriate some of the Highway User Revenue Fund (HURF) and Vehicle License Tax (VLT) allocations to DPS. Mr. Remes indicated that the bill states that cities and towns would be held harmless.

Mr. Remes stated that opposition is urged for SB 1322, which passed the Senate and will be moving to the House. He stated that the bill currently makes changes to the TPC process. It is understood to be a vehicle bill and more language might be added in the House.

Mr. Remes stated that opposition is urged for HB 2326, which repeals the in lieu fee for the vehicle emissions testing program and air quality programs funded by the in lieu fee. He noted that this would affect funding for the mandated trip reduction program, which is a required control measure for air quality. Mr. Remes also noted that the bill was held in the Appropriations Committee on March 2.

Mr. Remes stated that SB 1229/HB 2563 and SB 1115, relating to cable television and redirection of state-shared revenues, have been opposed by MAG. He said these bills have slowed a bit but seem to be moving forward.

Dennis Smith commented on the attachment to the bill summary that showed transfers from the Highway User Revenue Fund to DPS. He stated that HURF transfers to DPS are allowed by State Constitution. Mr. Smith pointed out that the first column showed that transfers have increased when the state has budget issues. He explained that ADOT, in order to transfer the funds to DPS and not deprogram the projects in the state highway program, issued Grant Anticipation Notes in the amount of \$150 million. Mr. Smith stated that ADOT is waiting for Federal Transportation Reauthorization and is expecting to receive \$200 million to pay back the \$150 million loan. He advised that the State's rainy day fund is accumulating, so the practice needs to slow down or stop. Mr. Smith stated that almost \$800 million has been diverted and HURF funds more than 50 percent of the DPS budget. He indicated that one argument has been that we are adding miles, so we should pay more because DPS has increased responsibility. Mr. Smith reported that an analysis showed that lane miles had not increased commensurate with the transfers. At some point, the cities need to say enough is enough. Mr. Smith commented that the \$245 million being diverted from the MAG funds could build a lot of traffic interchanges and freeway miles. He commented that staff is not sure if this can be turned around this year, but it needed to be watched during the budget process next year. Chairman Hutchinson thanked Mr. Remes and Mr. Smith for their report. No questions from the committee were noted.

14. Formation of a MAG County Library District Stakeholders Group

This agenda item was taken out of order.

Dennis Smith stated that in 1986, the Arizona Legislature created library districts with statutory authority to levy a secondary tax to help underserved libraries. Mr. Smith stated that MAG formed a MAG County Library District Coordination Task Force in the 1990s to recommend long and short range plans for regional library services. He said that because significant growth has occurred throughout Maricopa County since then, there was a meeting with the County and member agency staff last week to begin reexamination of the district. Mr. Smith stated that it is being requested that a MAG County Library District Stakeholders Group be formed composed of appropriate library or technology staff sent by the Management Committee. He advised that the stakeholders could examine current library needs and explore other potential partnering activities such as 1) Joint purchasing; 2) Restructuring of the reciprocal borrowing agreement; and 3) Regional technology sharing. Mr. Smith noted that the county is advanced in the technology area, especially online periodicals, and perhaps this capability could be shared, thus reducing costs for cities. Mr. Smith stated that the tax rate is set each May. He suggested that the stakeholders group could meet and report back to the Management Committee in April, prior to the rate being set. Mr. Smith stated that MAG and the County are working cooperatively on this.

Chairman Hutchinson, who chaired the MAG County Library District Coordination Task Force, stated that it is time to reexamine the programs recommended by the Task Force. He requested

that the chart showing the tax paid per jurisdiction be distributed. Mr. Smith stated that it could be sent along with the April Management Committee agenda packet. Chairman Hutchinson expressed his appreciation to David Smith for the cooperative efforts.

Mr. Pettit moved to form a MAG County Library District Stakeholders Group to examine current and projected library needs and opportunities for sharing services. Mr. Cleveland seconded, and the motion carried unanimously.

13. Comments from the Committee

An opportunity was provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the committee were noted.

There being no further business, the meeting adjourned at 1:20 p.m.

Chairman

Secretary